



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Authorize Staff to Modify the Lodi Professional Firefighter Association Labor Unit Memorandum of Understanding (MOU) According to the Signed Tentative Agreement (TA)

MEETING DATE: June 16, 2010

PREPARED BY: Human Resources Manager

RECOMMENDED ACTION: Authorize staff to modify the Lodi Professional Firefighter Association labor unit memorandum of understanding (MOU) according to the signed tentative agreement (TA).

BACKGROUND INFORMATION: Following general City Council direction, staff has sought to ensure a balanced 2010/2011 General Fund budget. This has necessitated reducing expenditures within City departments to include employee unit/group's salary and benefits. At its June 2, 2010 meeting, Council approved the tentative modifications to current employee Memoranda of Understanding for all bargaining units except for the Lodi Professional Firefighters (LPF) Bargaining Unit. The LPF tentative agreement is presented to Council on June 16th because a vote was not scheduled by the LPF for this agreement until June 3, 2010 (and subsequently passed on that day).

The structure of this tentative agreement is similar to the agreement signed by the LPF for Fiscal Year 2009/2010. The agreement includes a range of contributions, including a salary reduction, waiving the deferred compensation match, and limits on overtime and cash-out of benefits.

The total value of employee contributions, to include all employee bargaining groups including the LPF, is approximately \$2.3 million for FY 2010/11.

Please refer to Attachment A for a review of the Tentative Agreement.

FISCAL IMPACT: The combined total of all employee contributions for Fiscal Year 2010/2011 reduces the City's General Fund salary and benefit obligations by approximately \$2.3 million.

FUNDING AVAILABLE: Not applicable.



Dean Gualco, Human Resources Manager

APPROVED: 

Konradt Bartlam, Interim City Manager

SIDE LETTER TO THE LODI PROFESSIONAL FIREFIGHTERS MOU

- A. The City of Lodi and the Lodi Professional Firefighters currently operate under a Memorandum of Understanding effective July 1, 2007 through December 31, 2010 as Amended by Addendum dated February of 2009.
- B. This Side Letter is issued for the purpose of addressing the significant and unanticipated budget crisis caused by the current economic downturn.

For the above reasons the Parties agree as follows:

Bargaining Unit Members agree to waive Vacation Cash Out, and Deferred Compensation Match beginning in the first pay period in which July 1, 2010 falls and ending in the first pay period in which June 30, 2011 falls.

Minimum Staffing: The parties agree to lower current staffing from 15 to 12 where necessary to avoid overtime for the period between July 1, 2010 and June 30, 2011. Staffing will be returned to 15 after June 30, 2011. This agreement will, where necessary, close the second company (Engine 2031) at Station One to ensure that all four stations remain operational 24/7. Overtime restrictions will not apply where overtime needs are caused by OES strike team responses and emergency call backs.

Article VII – Compensatory Time, shall be amended to add the following:

At the end of section 7.4 add the following sentence: However, during the pay periods in which July 1, 2010 through June 30, 2011 fall, a maximum of 480 hours of compensatory time may be carried on the books. After July 1, 2011 employees with banks in excess of 144 hours shall be entitled to continue to use their excess compensatory time but shall not be eligible to accrue additional compensatory time until their compensatory time balance falls below 144 hours.

Article VIII – Salary, shall be amended to add the following:

Add new paragraph 8.5 as follows: Bargaining unit members agree to a 2.5% salary reduction beginning in the first pay period in which July 1, 2010 falls and ending in the first pay period in which June 30, 2011 falls.

Add new paragraph 8.6 as follows: The City endeavors, where financially feasible, to pay fire salaries at the median of the survey cities.

Article XXIII – Retirement, shall be amended to add the following:

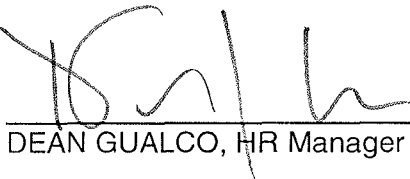
Add Section 23.3 as follows: The City will explore the financial feasibility of exchanging a salary increase for employee paid employee share of PERS contributions. However, any decision to make the exchange shall be in the full discretion of the City Council.

This Side Letter shall not become effective until approved by the Lodi City Council. Moreover, in the event that revised budget projections permit reduction of these contributions during the 2010/11 budget year, City agrees to revisit and roll them back as soon as feasible.

CITY OF LODI,
a municipal corporation



KONRADT BARTLAM, City Manager



DEAN GUALCO, HR Manager


Lodi Professional Firefighters

By _____
Representative

ATTEST:

RANDI JOHL, J.D., City Clerk

APPROVED AS TO FORM:



D. STEPHEN SCHWABAUER
City Attorney